



**Matthew G. Bevin**  
Governor

**K. Gail Russell, Acting Secretary**  
Public Protection Cabinet

**H.E. Corder II, Director**  
Kentucky Real Estate Authority

**Kentucky Board of Home Inspectors**  
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[bhi.ky.gov](http://bhi.ky.gov)

**VOTING MEMBERS**  
Mitch Buchanan, Chair  
Welford "Bud" Wenk  
Steven Cunningham  
Larry Joe Walden  
Paul Ogden

**STAFF**  
Haley Bradburn, Board Administrator  
Heather L. Becker, General Counsel

## **BOARD MEETING MINUTES**

**August 21, 2018**  
**10:00 AM**

A regular meeting of the Board of Home Inspectors was held at 656 Chamberlin Avenue, Suite B in Frankfort, Kentucky on August 21, 2018.

### **MEMBERS PRESENT**

Mitch Buchanan, Chair  
Welford "Bud" Wenk  
Steven Cunningham  
Larry Joe Walden  
Paul Ogden (attended regulation workshop)

### **KENTUCKY REAL ESTATE AUTHORITY**

Heather L. Becker, General Counsel  
Alex Gaddis, Deputy General Counsel  
Haley Bradburn, Board Administrator  
Michael Spann, Investigator

### **MEMBERS ABSENT**

None

### **GUESTS**

Steve Keeney, Esq. (PLI)

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### **CALL TO ORDER**

Board Chairman Mitch Buchanan called the meeting to order at 10:44 AM.

### **INTRODUCTION OF GUESTS**

Guests were introduced and welcomed. New KREA investigator Michael Spann was introduced to the Board.

### **APPROVAL OF MINUTES**

A motion was made by Bud Wenk and seconded by Steven Cunningham to approve the special July 17, 2018 meeting minutes. The motion carried.

### **BOARD MONTHLY FINANCIAL REPORT**

Financial report was presented and reviewed.

## **LICENSURE REPORT**

(As of 8/16/2018)

Active Licensees – 468
Inactive Licensees – 8
Pending Licensees – 8

## **COMPLAINT REVIEW COMMITTEE UPDATE**

In the matter of complaint #18-KBHI-003 and complaint #18-KBHI-004 Committee Chair Steve Cunningham made a recommendation to the full Board to dismiss the complaints. Bud Wenk seconded the motion and it carried.

In the matter of complaint #18-KBHI-005 Steve Cunningham made a recommendation to the full Board that more information be obtained from both the complainant and the licensee. Mitch Buchanan seconded the motion and it carried.

In the matter of complaint #18-KBHI-007 Steve Cunningham made a recommendation to the full Board to require the licensee to file a response including photos if available. Bud Wenk seconded the motion and it carried.

## **BOARD COUNSEL REPORT**

### **Case Status Report**

General Counsel Heather Becker provided an update to the Board on complaint #18KBHI-006. The individual practicing without a license was sent a letter and cease and desist order. She advised that the next step would be to schedule a show cause hearing.

General Counsel Heather Becker followed up with Bud Wenk on two questions he had posed regarding possible conflicts of interest. She shared that the self-dealing and gifts portion of ethics apply and distributed a copy of the reference.

The Board had asked Counsel to look into the nature of KBHI's financial accounts. After discussing this with our accounting people, Counsel Becker shared that the agency account is a restricted agency support account, and it is not a sweep account. The distinction between a sweep account and a non-sweep account is whether the account is interest bearing. Interest bearing accounts can be swept, whereas noninterest bearing accounts cannot be swept.

In addition, Counsel Becker provided an update that the remainder of the meetings can carry forward as regular held meetings.

## **KENTUCKY REAL ESTATE AUTHORITY REPORT**

Director Corder had a schedule conflict and could not attend the morning portion of the meeting. Counsel Becker shared that there is a certain process to be followed if the Board wishes to inquire into options for home inspectors to obtain E&O insurance at a group/ cheaper rate. The Board does not want to require E&O but would like to proceed with the process of looking into obtaining a group/lower rate.

## **BOARD ADMINISTRATOR REPORT**

### **InterNACHI CE letter Update**

Board Administrator Haley Bradburn shared a copy of the letter sent at the Board's request to InterNACHI regarding CE course 1117-0001 *Advanced Residential Roof Inspection* advising of the adjustment of credit hours recognized by Kentucky.

### **Follow-up on Letter to Licensee Re: Insurance Notice**

An update and copy of the letter sent to the licensee was provided to the Board. A renewal application for this individual was not received by the July 31, 2018 renewal date.

### **Renewal of License #102915**

A memo from Ms. Bradburn regarding an inquiry made by licensee #102915 was presented to the Board. It addressed confusion relating to the "60 day grace period" and the license renewal/expiration process. The Board accepted the recommendation to allow this licensee to operate under the information previously given for this licensure period and reflected on the current license card. This allowance involves the licensee being required to renew by their renewal date as before (late fee if submitted past this), however they would not have to cease and desist from practicing until their license card expiration date. The Board also accepted Ms. Bradburn's recommendation to provide mass communication via letter and internet posting of the correct requirements before the beginning of the next licensure period once all license cards should have corrected expiration dates.

### **Licensee status in DPL/ License Verification Webpage**

Ms. Bradburn shared that IT was able to create an *Active – Pending Renewal* status for the DPL back office that contains all licensee data and provides information to the license verification webpage when conducting a licensee search. This status can be utilized for licensees who have submitted their renewal application before their renewal deadline, but whose license status is kicked to *Expired* in the system before the Board meets to review the applications. This status will carry over to the license verification webpage.

### **Other Updates**

Board Administrator Haley Bradburn shared that she has a goal to conduct an education overhaul inputting all data into the DPL system to create consistency and organization and bring things up to date. Seven boxes of files were discovered and brought over from the Department of Professional Licensing office. Ms. Bradburn shared that she has been scanning everything in since her time here in the effort to go paperless and have documents on file easily accessible. As time allows she plans to go through the filing cabinets of old files. The Board was also informed that in regards to the CE applications, as board administrator, Ms. Bradburn is only ensuring that all required documents are present and is not reviewing the material for content but leaves that up to the Board members as experts in that field.

## **EDUCATION COMMITTEE REPORT**

- All American Association of Home Inspectors (AAAI)
  - CE Course: **Kentucky Laws and Regulations** – 3 hrs.
  - CE Course: **Manufactured Homes** – 3 hrs.
  - CE Course: **Report Writing** – 4 hrs.
- InterNACHI
  - CE Course: **How to Inspect Fireplaces, Stoves, and Chimneys** – 4 hrs. (Renewal)

- KREIA
  - CE Course: **206 Dangers of Meth Houses** – 2 hrs.
- Pillar to Post
  - **Pre-licensing Course Provider Application** (Renewal)

Larry Joe Walden made a motion to approve the above continuing education courses and pre-licensing provider application as submitted. This motion was seconded by Bud Wenk and passed the Board.

### **APPLICATIONS COMMITTEE REPORT**

The Applications Committee recommended the following:

- Two (2) applications deferred at the July board meeting were reviewed with the required documents received. Two (2) were recommended for approval.
- Six (6) initial license applications were reviewed. Two (2) were recommended for approval, and four (4) were deferred until the Kentucky State Police background checks are received for three (3) of them and an unapproved pre-licensing course breakdown provided for the other (an out of state applicant).
- Thirty-five (35) license renewal applications were reviewed. Thirty-three (33) were recommended for approval and two (2) were deferred until receipt of background checks.

Bud Wenk made a motion to accept the above recommendation, Mitch Buchanan seconded the motion, and it passed.

### **PUBLIC COMMENTS**

Mr. Steve Keeney posed a question and made inquiry into one of the complaints discussed.

### **TRAVEL AND PER DIEM**

A motion was made by Bud Wenk for the approval of travel and per diem for Board member attendance of the August 21, 2018 meeting. Mitch Buchanan seconded the motion and it carried.

### **BREAK**

At 12:09 PM the Board took a lunchbreak and agreed to reconvene at 1:30 PM.

### **REGULATION REVIEW WORKSHOP**

The Board reconvened at 1:53 PM to review and discuss all home inspector regulations and share input from their personal review. Heather Becker presented the proposed modifications to 815 KAR Chapter 6. The current regulations are to be reduced from eight (8) down to four (4). The Board and staff reviewed all of 815 KAR Chapter 6 line-by-line holding discussion and noting edits. Heather and staff will finalize the regulation drafts and have them ready for filing by the September 14<sup>th</sup> deadline. All of the Board's applications and forms are also being reviewed and updated to reduce and streamline those as well.

### **NEXT MEETING**

The next meeting of the Board is scheduled for Tuesday, September 18, 2018, at 10:00 AM, at the Kentucky Real Estate Authority office at 656 Chamberlin Avenue, Suite B, in Frankfort, Kentucky.

### **ADJOURMENT**

A motion was made by Mitch Buchanan to adjourn the meeting. The motion was seconded by Steve Cunningham and carried. The meeting was adjourned at 6:10 PM.